

**PROCEEDINGS OF THE COCHISE COUNTY BOARD OF SUPERVISORS
REGULAR MEETING HELD ON
Tuesday, June 9, 2015**

A regular board meeting of the Cochise County Board of Supervisors was held on Tuesday, June 9, 2015 10:00 a.m. in the Board of Supervisors' Hearing Room, 1415 Melody Lane, Building G, Bisbee, Arizona.

Present: Patrick G. Call, Chairman; Ann English, Vice-Chairman; Richard R. Searle, Member
Staff James Vlahovich, County Administrator; Britt W. Hanson, Chief Civil Deputy County Attorney;
Present: Gussie Motter, Deputy Clerk of the Board

Chairman Call called the meeting to order at 10:00 a.m.

ANY ITEM ON THIS AGENDA IS OPEN FOR DISCUSSION AND POSSIBLE ACTION

PLEDGE OF ALLEGIANCE

THE ORDER OR DELETION OF ANY ITEM ON THIS AGENDA IS SUBJECT TO MODIFICATION AT THE MEETING

Chairman Call announced that Item 26 would be moved to the top of the Action Agenda.

PRESENTATION

Presentation by R.L. Gent, member of the Sierra Vista Tourism Commission, regarding the renaming of the Chiricahua National Monument to Chiricahua National Park.

Mr. Gent and the Sierra Vista Tourism Commission would like to see the Chiricahua National Monument become the Chiricahua National Park. They feel that National Park status could increase visitation and boost tourism throughout the region. The Monument is already operated by the National Park Service and the change to Park would require no changes to boundary, use, staffing, or budget. Mr. Gent listed other Monuments that have gotten Park status. The project has the support of the Sierra Vista Mayor and Council, The Sierra Vista Chamber of Commerce, and the Cochise County Tourism Council. The next steps include letters to Congresswoman McSally and Senators Flake and McCain, meetings with congressional staffers, soliciting support from Silver City, New Mexico, and a letter writing campaign from mayors, commissions, councils, and chambers. Mr. Gent asked that the Supervisors join the letter-writing campaign.

Chairman Call assured Mr. Gent that they would work with staff to produce letters of support. All Supervisors concurred on the merit of the project.

CONSENT

Adult Probation

1. Approve the Administrative Office of the Court's Interstate Compact grant in the amount of \$2,127, for the period of July 1, 2014 - June 30, 2015.

Board of Supervisors

2. Approve the Minutes of the regular meeting of the Board of Supervisors of May 19, 2015.
3. Approve a letter to Michael Sanders, Arizona Department of Transportation (ADOT), in support of creating United States Bicycle Route 90 in Cochise County.

Community Development

4. Approve an increase for Contract No. IFB 10-66-HFP-04 with Western Emulsions, Inc. in the not to exceed amount of \$500,000 for emulsified asphalt products for the period of August 1, 2014 through July 31, 2015.
5. Approve the renewal of Contract No. IFB 11-43-HFP-04 for Corrugated Metal Pipe and related items to Arizona Culvert Company in the not to exceed amount of \$75,000 for the period of July 1, 2015 through June 30, 2016 for the Community Development Highway and Floodplain Division.
6. Approve the renewal of Contract No. IFB 11-51-HFP-04 for Guardrail Repair and Replacement with Brown and White, Inc. in the not to exceed amount of \$260,000 for the Community Development Highway and Floodplain Division for August 1, 2015 through July 31, 2016.
7. Approve the renewal of Contract No. IFB 11-48-HFP-04 for Hot and Cold Mix Road Material with Granite Construction Company in the not to exceed amount of \$170,000 for the Community Development Highway and Floodplain Division July 1, 2015 through June 30, 2016.
8. Approve the renewal of Contract No. IFB 13-41-HFP-04 for Culvert Cleaning and Maintenance Services with Banning Creek Enterprises, LLC in the not to exceed amount of \$265,000 for the Community Development Highway and Floodplain Division July 1, 2015 through June 30, 2016.

County Sheriff

9. Approve Memorandum of Agreement between Cochise County Sheriff's Office and Sundance Fire and Rescue for tone out service for calls for service for Sundance Fire with no fiscal impact for this service, effective for one year with four automatic annual renewals.

Court Administration

10. Approve appointments of county-wide Justices of the Peace Pro Tempore Pamela Housh, C.J. Garan and Ron Zack for emergency or temporary coverage, both pursuant to ARS 22-121; and approve authorization to call upon an appropriately-appointed Justice of the Peace Pro Tempore from another county in extenuating circumstances pursuant to ARS 22-122 for two terms of service. The first term begins June 29, 2015 and includes June 30, 2015. The second term begins July 1, 2015 and run through June 30, 2016.
11. Approve the Court Consolidation Agreement between Cochise County and the City of Willcox, effective January 1, 2015 through December 31, 2019.
12. Ratify the Fill The Gap (FTG) Application dedicated to the processing of felony cases in Cochise County for Fiscal Year 2015 and approve addendum of additional funds for recovery fees.

Elections & Special Districts

13. Approve the appointment of the following persons as Precinct Committeeman for the Republican Party of Cochise County upon the recommendation of the Party Chair, Precinct # 27 SV Buffalo Soldier: Rachel D. Gray.

Emergency Services

14. Approve the 2014 Emergency Management Performance Grant (EMPG) Subgrantee Agreement.

Finance

15. Approve demands and budget amendments for operating transfers.

Warrants Nos. 89582-89768, 89814-89889, 89898-90052 were issued in the amount of \$1,653,449.76.

Pursuant to A.R.S. §11-217(C), the published minutes shall include all demands and warrants approved by the Board in excess of one thousand dollars except that multiple demands and warrants from a single supplier or individual under one thousand dollars whose cumulative total exceeds one thousand dollars in a single reporting period shall also be published. The voided warrants are listed below:

<u>Fund</u>	<u>Vendor</u>	<u>Amount</u>
100	National Crime Investigation & Training	1150.00
100	Byrd, Enrique	12.89
100	Daniel, Luis	.89
100	Olivarria, Daniel	1.78
100	Soto, Miguel	4.45
100	Edie, Patricia	39.26
100	Speedy Trucking, LLC	48.40
100	Worley, Ollie	15.00
205	Willcox Unified School District #13	890.00
100	Young, Albert	32.28
100	Matchett Law	1,000.00
100	Center for Disease Detection, LLC	745.50
100	United Fire Equipment Co.	95.59

Issued warrants are listed as an attachment at the end of the minutes. Approve demands and budget amendments for operating transfers.

16. Approve a \$1,000,000 excess payment to the Public Safety Personnel Retirement System for Fiscal Year 2014-15.

Fleet Services Management

17. Approve the sale of one used horse trailer equipment #0731 declared surplus by the Procurement Department Property Manager to Tombstone High School for the amount of \$1.00.
18. Approve the sale of two used fleet vehicles #0516 and #0597 declared surplus by the Procurement Department Property Manager to the City of Tombstone for the amount of \$4,425 and \$5,150 respectively.

Health & Social Services

19. Approve an expansion of Cochise County's existing relationship with the National Association of Counties by adding health/vision and dental components to the current NACo Prescription Discount Program, effective June 9, 2015.

Indigent Defense

20. Approve the renewal of various contracts for Indigent Defense Contract Services to 13 attorneys and the addition of one new attorney listed in exhibit A for the period of July 1, 2015 through June 30, 2016.

Procurement

21. Approve the award of PSA 15-34-FAC-03 BDI Airport Water Improvement Project Waterline Design Services in the estimated amount of \$109,887 for the Facilities Department for a period of June 9, 2015 to June 8, 2016 unless extended by the County.
22. Approve the award of Request for Proposal (RFP) No. 15-30-SHF-03 for Jail and Juvenile Detention Center Food Service for the Sheriff and Juvenile Detention to Trinity Services from July 1, 2015 through June 30, 2016.

Workforce Development

23. Approve the appointment of Mr. Michael Vetter to the Local Workforce Investment Board to fill an unexpired term, effective immediately and through 6/30/2016.

Vice-Chairman English moved to approve items 1 - 23 on the Consent Agenda. Supervisor Searle seconded the motion and it carried unanimously.

ACTION

Board of Supervisors

24. Sitting as the Cochise County Board of Equalization, the Board of Supervisors will uphold or amend the Assessor's decision for the Taxpayer Notice of Claim for parcel number 105-16-316.

Anthony Badame, of Ernst & Young, LLP, represented the appellant, Home Depot. Mr. Badame explained that a Notice of Claim was filed with the Assessor and the Assessor recommended no change and so now he is appealing to the Board of Equalization. There were three errors that Mr. Badame asked to have corrected. The first is HA-458, an interior component. The second is LAC, a landscaping component that should be changed to desert landscaping and the third, QAB roof structure used for spanning extra long structures, which were not used in the construction of the Home Depot. Mr. Badame asked for corrections of errors for the years 2011 to 2014 and directed the supervisors to page two of his handout.

Next he directed the Supervisors to page five of his handout to point out HA 458, explaining that HA 458 describes a Sam's or a CostCo store which typically has a bakery, pharmacy, optical department, automotive department, meat processing and refrigeration and plumbing to support all of it, which Home Depot does not. Also on page five, he indicated the QAB that should be removed and the LAC, landscaping component that includes grass and irrigation, should also be removed. He suggested using LAM for the landscaping component as was used for the Sears department store at 81 cents per square foot. With those three deletions and the inclusion of LAM, the cost of improvements for 2011 would go from \$5,712,808 to \$4,891,029 for a Full Cash Value (FCV) of \$6,533,676 in 2011 or about \$65 per square foot. Mr. Badame led the Supervisors through the rest of his packet of information and answered questions.

Mr. Terry Anderson, Chief Appraiser for the Assessor's Office, spoke next. He passed out a packet of information for the Supervisors. Before beginning with his packet, Mr. Anderson made some comments regarding Mr. Badame's presentation. He stated that the Assessor's Office used the discount warehouse model (HA) for Lowes as well as for Home Depot and does not believe it contains all of the extras that one finds in a Sams or CostCo. He pointed to Mr. Badame's handout on Page 11, noting that the definition of HA did not include said extras. Also on page 13 of Mr. Badame's packet regarding the warehouse problem log, a retail warehouse was not addressed, only transit, storage, distribution, and industrial manufacturing. Mr. Andersen also questioned using Sears as a comparable property as it is a qualifying shopping center and has a specific, statutorily mandated evaluation procedure for which Home Depot does not qualify.

Mr. Andersen stated that the HA is used to assess every discount warehouse in the County and the Assessor's Office does not feel it is an error to do so. He also told the Supervisors that the QAB and LAC were removed in 2010. The Assessor's Office denied the claim based the definition found in ASRS 42-16251(e): Subject to the requirements of section 42-16255, subsection B, a valuation or legal classification that is based on an error that is exclusively factual in nature or due to a specific legal restriction that affects the subject property and that is objectively verifiable without the exercise of discretion,

opinion or judgment and that is demonstrated by clear and convincing evidence.

Mr. Anderson said that the Assessor's Office used discretion, opinion or judgment everyday, as in using HA to value Home Depot. Home Depot could have used the Notice of Value process to make this argument. He directed the Supervisors to page five of his packet showing the QAB removed in 2010. He also noted that the Department of Revenue worksheets were published in February 2010 while the worksheet shown on page five is dated July 2010, thus explaining why Mr. Badame says the QAB was back in 2011. At the same time in July of 2010, the landscaping component was removed completely, not changed. Mr. Anderson also explained that the County now uses a square foot system that does not show all of the components that were shown in the old system.

Mr. Andersen then walked the Supervisors through the process for valuing the property. He compared the Home Depot to Lowes and explained the way the two buildings were valued.

Supervisor Searle questioned the increase in the improvements from 2010 to 2011. The increase may have been the result of many things but it is difficult to discern without more detail.

Mr. Badame was given time to rebut. His opinion is that everything is appealable. He also argued that the HA component either exists or not. He also stated that the Lowes is valued incorrectly as well. This is a statewide problem that needs to be corrected.

Chairman Call asked Mr. Anderson if he had heard this before. Mr. Anderson stated that other than from the appellant, he has not heard of such a problem.

Supervisor Searle reiterated his problem with the increase in the improvements.

Vice Chairman English made a motion to uphold the Assessor's decision for the Taxpayer Notice of Claim for parcel number 105-16-316. Supervisor Searle seconded, but said that his concern regarding the numbers will keep him from voting to uphold. Chairman Call and Vic-Chairman English both agreed that the Assessor did not make an error.

Chairman Call called for the vote and it was approved 2-0-1 (Searle opposed).

25. Sitting as the Cochise County Board of Equalization, the Board of Supervisors will uphold or amend the Assessor's decision for the Taxpayer Notice of Claim for parcel number 107-65-060, 061, and 062.

Chairman Call stated that even though the applicant was not present, he was available by phone if there were any questions for him.

Mr. Anderson explained that this appeal is a legal class issue. In 2009, the Assessor changed the class of about 200 parcels from Class 3, residential to Class 1, commercial, when it was discovered that the residences were being used for daily, weekly, or monthly rentals. These three parcels were in that group. The property owner was notified in 2010 through the Notice of Change process. That change was not contested. In subsequent years the property owner could have contested the class through the Notice of Value process but has not and for 2016, the properties are still shown as Class 1. If these properties are now long-term rentals, they could be reclassified to Class 4, but this is clearly not an error on the part of the Assessor.

Vice Chairman English made a motion, seconded by Supervisor Searle, to uphold the Assessor's decision for the Taxpayer Notice of Claim for parcel number 107-65-060, 061, and 062.

Chairman Call called for the vote and it was approved 3-0.

Health & Social Services

26. Approve the new Grant Agreement, GRA-STATE-16-0785-01, Child Care Health Consultation, between the Arizona Early Childhood Development and Health Board (First Things First) and Cochise Health & Social Services, in the amount of \$78,064, for the period of 7/1/15 – 6/30/16.

This item was heard before Items 24 and 25.

Ms. Mary Gomez, Cochise Health & Social Services Department Director, introduced Ms. Melissa Avant, CEO of First Things First, and explained that the grant funding would flow from the Department of Health Services (DHS) through First Things First as so the agreement will be with DHS. The agreement would allow the department to hire one new employee, a nurse who would be certified as a Childcare Health Consultant and would offer training and inspection on a voluntary basis to childcare centers and home providers of childcare. Nutrition, safety and infectious disease prevention education will be offered. Ms. Gomez imagines training a team of nurses to carry out these duties. There would be 36 entities, 23 centers and 13 home providers, in this program, and it will give the nurses an opportunity to introduce the department's other parenting and early childhood programs at no cost to the County.

Vice-Chairman English praised the idea, commenting that it is an excellent opportunity to work together to make things better at no additional cost to our citizens. Supervisor Searle made a motion, seconded by Vice Chairman English to approve the new Grant Agreement, GRA-STATE-16-0785-01, Child Care Health Consultation, between the Arizona Early Childhood Development and Health Board and Cochise Health & Social Services, in the amount of \$78,064, for the period of 7/1/15 – 6/30/16.

Chairman Call called for the vote and it was approved 3-0.

CALL TO THE PUBLIC

This is the time for the public to comment. Members of the Board may not discuss items that are not specifically identified on the agenda.

Jack Cook addressed the Board on matters of personal concern.

No one else chose to speak and Chairman Call closed the call to the public.

REPORT BY JAMES E. VLAHOVICH, COUNTY ADMINISTRATOR -- RECENT AND PENDING COUNTY MATTERS

Mr. Vlahovich deferred his report.

SUMMARY OF CURRENT EVENTS

Report by District 1 Supervisor, Patrick Call

Chairman Call did not give a report but reminded everyone of the joint work Session with the Public Lands Advisory Committee at 1:30 p.m. today.

Report by District 2 Supervisor, Ann English

Supervisor English deferred her report.

Report by District 3 Supervisor, Richard Searle

Supervisor Searle reported that he attended the Eastern Arizona Coalition planning meeting in Show Low last week. He stated that the bylaws have been amended and he believes that Cochise County should join the organization as we share many common challenges.

He also reported that the petition for an Irrigation Non-expansion Area (INA) in the Sulphur Springs Valley has about 500 signatures of the needed 600. When there are sufficient signatures, the petition will be filed with the Arizona Department of Water Resources.

Chairman Call adjourned the meeting at 11:40 a.m.

APPROVED:

Patrick G. Call, Chairman

ATTEST:

Arlethe G. Rios, Clerk of the Board